

## **Policies and Procedures**

# **Emergency Solutions Grant COVID-19 (ESG-CV)**

March 2021

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Funded through the  
**Homeless Coordination Office**  
Emergency Services Administration  
Department of Economic Security  
State of Arizona



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DEPARTMENT OF ECONOMIC SECURITY

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*Your Partner For A Stronger Arizona*

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# 1 Grant Basics

## 1.1 Overview

The Coronavirus Aid, Relief, and Economic Security Act of 2020 (CARES Act) provided for supplemental appropriation of Homeless Assistance Grants under the Emergency Solutions Grant (ESG). The Emergency Solutions Grant COVID-19 (ESG-CV) funds are to be used to ***prevent, prepare for and respond*** to the Coronavirus pandemic. Those definitions are:

- Prevent....coronavirus: means an activity designed to prevent the initial or further spread of the virus to people experiencing homelessness, people at-risk of homelessness, recipient or subrecipient staff, or other shelter or housing residents.
- Prepare for....coronavirus: means an activity carried out by a recipient or subrecipient prior to or during a coronavirus outbreak in their jurisdiction to plan to keep people healthy and reduce the risk of exposure to coronavirus and avoid or slow the spread of the disease.
- Respond to coronavirus: means an activity carried out once coronavirus has spread to people experiencing homelessness, provider staff, or once individuals and families lose or are at-risk of losing their housing as a result of the economic downturn caused by the coronavirus.

ESG-CV funds are subject to the following flexibilities and conditions provided by the CARES Act. These changes from general ESG guidelines apply **only** to ESG-CV grants:

- The funds may be used to cover or reimburse allowable costs incurred by a State or locality before the award of funding (including prior to the signing of the CARES Act) to prevent, prepare for, and respond to COVID-19;
- The funds are not subject to the spending cap on emergency shelter and outreach under 24 CFR 576.100(b)(1);
- The funds are exempt from the ESG match requirements, including 24 CFR 576.201;
- The funds are not subject to the consultation and citizen participation requirements that otherwise apply to the Emergency Solutions Grants, however each recipient must publish how its allocation has and will be used, at a minimum, on the Internet at the appropriate Government web site or through other electronic media; AND
- The funds may be used to provide homelessness prevention assistance (as authorized under 24 CFR 576.103 or subsequent HUD notices) to any individual or family who does not have income higher than HUD's Very Low-Income Limit for the area and meets the criteria in paragraphs (1)(ii) and (1)(iii) of the "at risk of

homelessness” definition in 24 CFR 576.3.

The deadline to expend ESG-CV funds is **September 30, 2022**. See spending timeline requirements in Section 2.2.5.

Projects funded with ESG-CV **must be** low barrier with a housing first orientation. Per HUD guidance, individuals and families assisted with these funds **must not be required** to receive treatment or perform any other prerequisite activities as a condition for receiving shelter, housing, or other services for which these funds are used, notwithstanding housing stability case management.

Program regulations are established in [24 CFR §576](#), the HUD ESG Interim Rule ([ESG Program and Consolidated Plan Conforming Amendment of 24 CFR Parts 91 and 576, Docket No. FR 5474-I-01, RIN 2506-AC29](#)), ESG-CV Notice CPD-21-05 issued April 14, 2021 and the [ESG-CV Notice](#) issued July 19, 2021.

In these policies and procedures, the term “grantee” refers to the lead ESG-CV grantee of the Department of Economic Security (DES) and any subgrantees. While reading the HUD ESG Interim Rule it is important to note the “recipient” in this case is DES and the “subrecipient” is the lead ESG grantee (including any subgrantees) of DES. Not every section in the HUD ESG Interim Rule applies to DES-administered ESG-CV. The DES ESG-CV Guidelines define eligible activities and populations to be served which are subsets of what is listed in the ESG Interim Rule. HUD has a [quick reference guide](#) for use in determining eligible activities and costs under the ESG program.

These policies and procedures will be updated as necessary throughout the grant period.

## 1.2 Document Version

Version	Date Approved	Updates
1.0	04/06/2021	Creation of guidelines for allocation of ESG-CV funding and incorporates requirements and flexibilities from the HUD ESG-CV Notices.
1.1	6/11/21	PAGE 17: added the following language from the Scope of Work to the landlord incentive section: <i>capped at \$2,000 for 1 or 2 bedrooms, no cap for units</i>

		<i>with 3 or more bedrooms.</i>
2.0	July 19, 2021	No more than 10% of the sub-recipient's operating budget may go for providing furniture to participants receiving RRH or HP.
2.1	July 19, 2021	Policies and procedures for hazard and incentive pay must be written and approved by agencies governing body prior to billing. Must be reasonable.
2.2	July 19, 2021	May cover the costs of loaning cell phones with wireless plans to program participants to conduct activities necessary for obtaining and maintaining housing.
2.3	July 19, 2021	May provide laundry services to households living in unsheltered locations
2.4	July 19, 2021	May make vaccine incentive payments to people experiencing homelessness.
2.5	July 19, 2021	May pay for renters insurance for households receiving RRH or HP assistance if required by the management company/landlord.
2.6	July 19, 2021	May provide sponsor based rental assistance for program participants receiving RRH or HP

		assistance.
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### **1.3 Homeless Coordination Office Unifying Message**

The Department of Economic Security Statewide Homeless Coordination Office in the Emergency Services Administration administers state and federal funds to support homeless crisis response systems in the State of Arizona.

The ESG-CV program is a critical resource in the crisis response system.

People living unhoused become stably housed when the system is low barrier, trauma informed, culturally responsive and Housing First oriented. People living unstably housed become stably housed when the system is oriented toward problem solving conversations and personal advocacy to help people identify practical solutions based on their own available resources.

We expect DES grantees, including county governments and nonprofits, to be leaders in their crisis response systems, facilitating partnerships among service organizations and promoting evidence-based, anti-racist practices.

Grantees must respond to the disproportionality in access to services, service provision and outcomes and cannot simply rely on delivering a standardization of services to address inequity. Grantees have the responsibility to examine their data to ensure all eligible persons receive equitable services, support and are served with dignity, respect and compassion regardless of circumstance, ability or identity.

This includes marginalized populations, Black, Native and Indigenous, People of Color, immigrants, people with criminal records, people with disabilities, people with mental health and substance use vulnerabilities, people with limited English proficiency, people who identify as transgender, people who identify as LGBTQ+, and other individuals that may not access mainstream support.

We are here to support your efforts. The Homeless Coordinating Office provides access to continuous learning on trauma informed services, racial equity, LGBTQ+ competency and more. We can help you strategize outreach, coordinated entry and help you analyze and understand your data so we can meet Arizona's vision that no person is left living outside.

## **2 Administrative Requirements of Lead Grantees**



## 2.1 Grant Management

### **2.1.1 Changes to Guidelines**

DES may revise the guidelines at any time. All lead grantees will be notified of updates to this guide and will receive via email the latest version. Lead grantees are responsible for sending revisions to subgrantees in a timely manner.

**HUD issued CPD Notice CPD-21-08 July 19, 2021 this is effective until amended, superseded or rescinded. It supersedes Notice CPD-20-08. It is the responsibility of the subrecipient to read and know what is in this document and to update the agency's policies and procedures accordingly.**

<https://www.hud.gov/sites/dfiles/OCHCO/documents/2021-08cpdn.pdf>

### **2.1.2 DES Monitoring**

DES will monitor grant activities. Grantees will be given a minimum of 30 days' notice unless there are special circumstances that require immediate attention. The written notice will specify the monitoring components.

### **2.1.3 Subgrantee Requirements**

Lead grantees may enter into an agreement with any other local government, Council of Governments, Housing Authority, Community Action Agency, nonprofit community or neighborhood-based organization, federally recognized tribe in the state of Arizona, or regional or statewide nonprofit housing assistance organizations who operate programs to end homelessness within a defined service area.

All subgrantee agreements **must** be time-limited and have defined roles and responsibilities for each party, detailed budgets and performance terms. DES reserves the right to directly contact subgrantees at any time for data quality, monitoring, fiscal and other issues.

Lead grantees **must** provide DES with copies of subgrant agreements (upon request) and notify DES if subgrants are terminated during the grant period.

Lead grantees **must** notify DES of any changes in selection of subgrantees funded with ESG-CV, or changes in the interventions of those subgrantees.

Lead subgrantees are expected to adopt the Guidelines to their policies and procedures.

#### **2.1.3.1 Subgrantee Risk Assessment and Monitoring**

DES may assist lead grantees in developing risk assessments and monitoring plans. Lead grantees will be responsible for ensuring subgrantee compliance with all requirements identified in the ESG-CV guidelines. The lead grantee **must** conduct a risk assessment and develop a monitoring plan for each subgrantee within six months of

contracting ESG-CV to the subgrantee. The risk assessment must inform the monitoring plan for each subgrantee. Monitoring plans must include monitoring dates, the type of monitoring (remote, on-site), and the program requirements being reviewed.

DES reserves the right to require lead grantees to undertake special reviews when an audit or other emerging issue demands prompt intervention and/or investigation.

## **2.2 Fiscal Administration**

### **2.2.1 Budget Caps**

ESG-CV Indirect Costs - up to ten percent (10%) of the ESG-CV contracted budget may be allocated or your federally contracted rate. If using your federally contracted rate, you shall provide a copy of the letter to DES.

### **2.2.2 Match**

ESG-CV does not have any match requirements.

### **2.2.3 Budget Categories**

<b>Budget Category</b>	<b>Allowable Expenses (linked to relevant sections of the Guidelines)</b>
Indirect Costs	<a href="#"><u>Indirect Costs</u></a>
HMIS	<a href="#"><u>HMIS</u></a>
Street Outreach	<a href="#"><u>Street Outreach</u></a>
Shelter Case Management	<a href="#"><u>Emergency Shelter Eligible Activities – Case Management</u></a>
Shelter Operations	<a href="#"><u>Emergency Shelter Eligible Activities - Operations</u></a>
Shelter Renovation	<a href="#"><u>Emergency Shelter Eligible Activities – Shelter Renovation</u></a>
Temporary Emergency Shelter	<a href="#"><u>Temporary Emergency Shelter Eligible Activities</u></a>
Rapid Re-housing Case Management	<a href="#"><u>Case Management Eligible Activities for Prevention and Rapid Re-housing</u></a>
Rapid Re-housing Rental Assistance	<a href="#"><u>Rental Assistance Eligible Activities for Prevention and Rapid Re-Housing</u></a>

Rapid Re-housing Other Financial Assistance	<a href="#">Other Financial Assistance for Prevention and Rapid Re-housing</a>
Prevention Case Management	<a href="#">Case Management Eligible Activities for Prevention and Rapid Re-housing</a>
Prevention Rental Assistance	<a href="#">Rental Assistance Eligible Activities for Prevention and Rapid Re-Housing</a>
Prevention Other Financial Assistance	<a href="#">Other Financial Assistance for Prevention and Rapid Re-housing</a>

Case Management is classified as an activity under Essential Services in 24 CFR §576 Subpart B.

### **2.2.4 Reimbursements**

Lead grantees **must** bill DES monthly for reimbursement of allowable costs. Invoices are due on the 25<sup>th</sup> of the month following the provision of services. Final invoices for a biennium may be due sooner than the 25<sup>th</sup>. If the lead grantee fails to submit an invoice within a three-month period, without a reasonable explanation, DES may take corrective action. Exceptions to billing procedures can be negotiated with DES on a case-by-case basis.

Invoices **must** be submitted in email to Kelly Garrett at [kgarrett@azdes.gov](mailto:kgarrett@azdes.gov), Teresa Cruse at [tcruse@azdes.gov](mailto:tcruse@azdes.gov) and/or Angela Washington at [awashington@azdes.gov](mailto:awashington@azdes.gov).

#### **2.2.4.1 Back-up Documentation**

All invoices **must** include the backup documentation, such as invoices, receipts. Invoices may not be paid until the report(s) are received and verified. DES may require a lead grantee to submit additional documentation. Lead grantees **must** retain original invoices submitted by their subgrantees. Submitting a rent roll for Rapid Rehousing is encouraged.

If grant funds are expended prior to the end of the contract a zero invoice/reports must be submitted monthly until the end of the contract period.

For questions related to the ESG-CV payment process, please contact Kelly Garrett at [kgarrett@azdes.gov](mailto:kgarrett@azdes.gov) or Teresa Cruse at [tcruse@azdes.gov](mailto:tcruse@azdes.gov) or Angela Washington at [awashington@azdes.gov](mailto:awashington@azdes.gov).

### **2.2.5 Budget Revisions**

Revisions must be requested via email, with a revised ISB and written succinct explanation approved by DES.

A contract amendment is required when revisions (in one or cumulative transfers) reach more than 10 percent (10%) of the grant total.

### **2.2.6 Spending Timeline Requirements**

DES will monitor grant spending to ensure that grantees are on track to spend out funds. If grantees are not spending down in a timely manner, funds may be recaptured.

All ESG-CV funds (both first and second allocations) must be expended by **September 30, 2022**. Additionally, grantees **must** meet ESG-CV spending milestones by the following deadlines:

- **September 30, 2021:** At least 20% of total award must be expended
- **March 31, 2022:** At least 80% of total award must be expended
- **September 30, 2022:** All funds must be expended by this date.

## **3 Allowable Interventions**

Grant funds must be used for eligible activities that prevent, prepare for, and respond to the coronavirus as outlined below. The ESG-Program Interim Rule applies except for the waivers and additional eligible activities established in the CARES Act and in [Notice CPD-21-08](#) (ESG-CV Notice). These alternative requirements and flexibilities are **also applicable** to annual ESG funding when those funds are used to prevent, prepare for, and respond to coronavirus.

Funded activities must be tied to the community response to COVID-19 and be documented.

### **3.1 Street Outreach**

Street Outreach meets the immediate needs of households experiencing unsheltered homelessness by connecting them with emergency shelter, housing, and/or critical health services.

ESG-CV funds may be used for costs of providing essential services necessary to reach out to unsheltered homeless households and connect them with emergency shelter, housing, or critical services. For the purposes of this section, the term “unsheltered homeless ” means individuals and families who qualify as homeless under paragraph (1)(i) of the “homeless” definition under 24 CFR §576.2: An individual or family with a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport, or camping ground.

Street Outreach activities funded with ESG-CV **must** be consistent with CDC guidance related to [street outreach](#) and engaging people at increased risk of severe illness when contracting coronavirus, as well as established best practices. ESG-CV funded outreach

programs should encourage (but **may not require**) people experiencing homelessness to get tested if they are experiencing COVID-19 symptoms.

HUD has approved the following as eligible costs under street outreach:

- Engagement: Hand sanitizer, soap, tissue packets, masks, disposable gloves, other PPE.
- Case Management: Coordinating medical care, including accessing the COVID-19 vaccine.
- Transportation: Train or bus tokens, taxi or rideshare for program participants' travel to and from medical care.
- Expanded Staffing: Hiring additional staff to support infectious disease preparedness, providing hazard pay to staff with direct participant contact.
- Provision of handwashing stations and portable bathrooms.
- Maintaining social distancing requirements during engagement.

ESG-CV funding for street outreach to respond to COVID-19 may include providing masks, hand sanitizer, and soap to households experiencing unsheltered homelessness; outfitting staff with personal protective equipment; coordinating medical care and other support services; providing transportation for program participants to travel to and from medical care, and other needed services; hazard pay; and providing reasonable incentives to volunteers (e.g. stipends, gift cards) who are helping to provide necessary services during the coronavirus outbreak.

### **3.1.1 Handwashing Stations and Portable Bathrooms**

ESG-CV funds may be used for costs of providing urgent, non-facility-based care to unsheltered households who are unwilling or unable to access emergency shelter, housing, or an appropriate health facility. To this end, funds may be used for portable hygiene services and the staffing, equipment, supplies and services to clean and maintain these facilities to support households experiencing unsheltered homelessness. Examples include handwashing stations and bathrooms (e.g. porta potties) and shower trucks with soap and shampoo.

### **3.1.2 Street Outreach Policies**

#### **3.1.2.1 Maintenance of Effort Requirement**

If the grantee or subgrantee is a local government, ESG-CV funds **cannot be used to replace** the local government funds for street outreach and emergency shelter services during the immediately preceding 12-month period, unless HUD determines that the unit of general purpose local government is in a severe financial deficit ([24 CFR 576.101\(c\)](#)).

## **3.2 Emergency Shelter**

Emergency shelter operations and services to households residing in emergency shelter are allowable activities. Households are eligible for emergency shelter assistance if they are unsheltered or residing in a temporary housing program.

Emergency shelter activities funded with ESG-CV should be in alignment with recommended guidance to [effectively manage infectious disease within the shelter](#) during coronavirus. ESG-CV funding for emergency shelter to respond to COVID-19 may include providing cleaning supplies; personal protective equipment for staff and program participants; portable hygiene services; volunteer incentives; hazard pay; furnishings such as room dividers and cots; and costs associated with providing transportation for program participants to travel to and from medical care, and other needed services. Shelters are encouraged to use funds provided through ESG-CV to purchase technology to access telehealth services provided through Federally Qualified Health Centers (FQHC) or other medical options within the community.

Emergency shelter renovation, rehabilitation, or conversion are eligible expenses. Grantees should work closely with DES to ensure adherence to HUD requirements.

If no appropriate emergency shelter is available, grantees may use ESG or ESG-CV funds to provide unsheltered homeless individuals with hotel/motel vouchers. Hotel/motel vouchers may be provided if shelter beds are available, but it is not safe for them to use because of the need for social distancing. Grantees are **encouraged to use** [FEMA funding for noncongregate shelter](#) prior to using ESG-CV. Eligible costs include:

- A hotel or motel room directly or through a hotel or motel voucher
- Cleaning of hotel or motel rooms used by program participants
- Repairs for damage caused by program participants above normal wear and tear of the room.

**No household shall be denied access to safe housing**, which may include alternative housing or a hotel room, even if they have been exposed or are symptomatic with coronavirus. Health related questions **should not** determine admission, access to programs and **should not** be asked in order to screen people out of shelter. If shelters utilize symptom screening as a part of intake procedures, it **must** be reviewed and approved by the local public health department. ESG-CV funded shelter programs should encourage (but **may not require**) people experiencing homelessness to get tested if they are experiencing COVID-19 symptoms. Someone who presents at an ESG or ESG-CV-funded shelter with respiratory symptoms (e.g., cough) **should not** be turned away solely because of their health symptoms. Additionally, shelters **cannot** require participants to receive the COVID-19 vaccination to receive services.

The purpose of ESG-CV funds is to prevent, prepare for, and respond to COVID-19 in order to prevent and mitigate the spread of COVID-19 among people experiencing homelessness and the staff that provide services to these individuals. This requires that existing shelters implement public health protocols such as enforcing social distancing, establishing an isolation space (especially for residents suspected of having COVID-19, those with confirmed cases, and high-risk residents such as elderly people and people with pre-existing health conditions), using personal protective equipment (PPE), and

cleaning/disinfecting shared and living spaces. If existing shelters are not available or where current shelters are not able to implement these safety protocols, additional space may need to be identified to allow people to have shelter while staying as healthy as possible. This may be space within an existing shelter (e.g., an office not being used) that could be temporarily converted into a quarantine space for someone who has tested positive or is awaiting test results, or it could be an entirely separate building. Eligible shelter spaces may include public spaces, pop up or modular structures in compliance with [HUD Guidance](#).

Shelters funded by ESG-CV **may not** turn away eligible program participants and **must** establish referral pathways to other shelters or housing if the shelter is at maximum capacity. Shelters **must** establish referral pathways to isolation and quarantine if a client is in need of such services. Shelters funded by ESG-CV are **strongly discouraged** from implementing a maximum length of stay when a discharge will result in program participants returning to unsheltered settings or situations putting them at a higher risk of COVID-19 infection.

Any ESG-CV funded shelter that is considering closing or not accepting new residents **must** immediately notify DES, the local Continuum of Care, the local department of public health, and emergency management officials.

### **3.2.1 Temporary Emergency Shelter**

ESG-CV funds may be used to pay for temporary emergency shelters for individuals and families experiencing homelessness. Eligible costs include leasing, operations, services, property acquisition and renovation.

Temporary Emergency Shelter is defined as a structure or any portion of a structure, which is used for a limited period of time because of a crisis, such as a natural disaster or public health emergency, to provide shelter for individuals and families displaced from their normal place of residence or sheltered or unsheltered locations.

Temporary Emergency Shelters are exempt from:

- Minimum standards for emergency shelters at [24 CFR 403\(b\)](#) – (lead-based paint requirements still apply)
- Environmental review
- Minimum period of use requirement ([24 CFR 576.102\(a\)\(xi\)\(4\)\(c\)](#))

Grantees **must** retain documentation that the shelter met the definition of temporary emergency shelter.

Acquisition and renovation costs are subject to Disposition requirements outlined in [2 CFR 200.311 – Real Property](#) which requires repayment to HUD. Grantees who are considering acquisition and renovation costs should work closely with DES staff to ensure adherence to requirements.

Emergency Shelter Activity	<b>Temporary</b> Emergency Shelter	<b>Permanent</b> Emergency Shelter
Renovations	Allowable, repayment required	Allowable, minimum period of use required
Acquisition	Allowable, repayment required	Not allowable

Program participants **cannot** be required to sign leases or occupancy agreements, receive treatment, or perform any other prerequisite activities as a condition for staying in any shelter or receiving services.

Grantees **must** document that the structure/portion of the structure met the definition of Temporary Emergency Shelter.

HUD has approved the following as eligible costs under Emergency Shelter and Temporary Emergency Shelter:

<b>SHELTER OPERATIONS</b>	
Supplies	<ul style="list-style-type: none"> <li>• Cleaning supplies such as bleach, disinfectant wipes, scrubbers, and mops.</li> <li>• Protective equipment such as face masks and shields, disposable gloves, and sneeze guards for staff and program participants.</li> <li>• Bed linens, towels, hand sanitizer, soap, and tissue packets.</li> <li>• Individually boxed meals and bottled water.</li> </ul>
Furnishings	<ul style="list-style-type: none"> <li>• Cots and room dividers.</li> </ul>
Equipment	<ul style="list-style-type: none"> <li>• Washers, dryers, portable hand washing stations, portable showers, car or van purchase for transporting participants, and ventilation systems (e.g., high-efficiency particulate air [HEPA] filters and air purifiers).</li> </ul>
Outpatient Health services*	<ul style="list-style-type: none"> <li>• Medication, emergency medical services, medication and follow-up services, and coordinating or providing medical treatment.</li> </ul> <p>*Services <b>must</b> be provided by licensed medical professionals and otherwise</p>



	inaccessible or unavailable within the community.
Transportation	Train or bus tokens, taxi or rideshare for program participants travel to and from medical care, and car or van purchase for transporting participants or staff serving program participants.

### **3.2.2 Emergency Shelter Policies**

#### **3.2.2.1 Prohibition against involuntary family separation.**

The age of a child under age 18 **must not** be used as a basis for denying any family's admission to an emergency shelter that uses ESG-CV funding or services and provides shelter to families with children under age 18.

#### **3.2.2.2 Maintenance of Effort Requirement**

If the grantee or subgrantee is a unit of general purpose local government, ESG-CV funds **cannot** be used to replace funds the local government provided for street outreach and emergency shelter essential services during the immediately preceding 12-month period, unless HUD determines that the unit of general purpose local government is in a severe financial deficit. ([24 CFR 576.102\(d\)](#)). The maintenance of effort requirements do not apply to shelter operation costs.

### **3.3 Rapid Re-Housing and Prevention Assistance**

Rapid Re-Housing and Homelessness Prevention Assistance includes rent assistance and housing relocation and stabilization services for households experiencing homelessness and households at-risk of homelessness based on the household's housing status at the time of program entry.

Rapid Re-Housing assistance is available for persons who meet the criteria under paragraph (1) or paragraph (4) according to HUD's definition in [Household Eligibility](#).

Homelessness Prevention assistance is available for persons who are at imminent risk of homelessness or at-risk of homelessness according to HUD's definition in [Household Eligibility](#).

The CARES Act provides that ESG-CV funds may be used to mitigate the economic impact of COVID-19. Programs are encouraged to consider the maximum number of rental assistance months to be extended/adjusted to address unemployment, loss of income, or benefits due to COVID-19. Additionally, CARES Act ESG-CV funding does not require a rental payment for households receiving financial assistance and projects

are expected to serve people with zero income. Additionally, providers **cannot** require participants to receive the COVID-19 testing or vaccination to receive rapid re-housing or homelessness prevention services, including prioritizing assistance.

ESG-CV funds may be used to provide housing relocation and stabilization services and short- and/or medium-term rental assistance necessary to prevent an individual or family from moving into an emergency shelter or another place described in paragraph (1) of the “homeless” definition in [24 CFR 576.2](#). ESG-CV rent assistance and housing relocation and stabilization services **should** be prioritized for households with the longest history of homelessness and for households with the most severe service needs including COVID-19 related needs. Prioritization for homelessness prevention are households earning less than 50 percent of Area Median Income (AMI) who are determined to have no alternative resources and no other place to go. The costs of homelessness prevention are only eligible to the extent that the assistance is necessary to help the program participant regain stability in the program participant’s current permanent housing or move into other permanent housing and achieve stability in that housing. Homelessness prevention **must** be provided in accordance with the housing relocation and stabilization services requirements in [24 CFR 576.105](#), the short-term and medium-term rental assistance requirements in [24 CFR 576.106](#), and the written standards and procedures established under [24 CFR 576.400](#).

When assessing use of funds, the following document from the National Alliance to End Homelessness may be helpful: [Use ESG-CV to Help Those Currently Experiencing Homelessness First](#).

Rapid re-housing (RRH) programs **must** use a progressive engagement model; this practice supports using the least intensive intervention to help resolve homelessness for the individual or family. Providers are to add more assistance only as necessary if the less intensive intervention is unsuccessful. RRH households receiving rental assistance subsidies are encouraged to contribute a minimum of 30 percent of their monthly adjusted income toward their monthly rent. This tenant rent contribution may be adjusted at any time based on changes to household income. There is no minimum rent requirement and tenant rent contribution may be zero for households with no income.

### **3.3.1 Landlord Incentives**

ESG-CV may be used to pay for landlord incentives that are reasonable and necessary to assist households in obtaining housing. Grantees **may not** use ESG-CV funds to pay the landlord incentives an amount that exceeds three times the rent charged for the unit. Landlord incentives can include signing bonuses, security deposits, costs to repair damages, and extra cleaning fees.

- Signing bonuses up to 1.5 months of rent, capped at \$2,000 for 1 or 2 bedrooms, no cap for units with 3 or more bedrooms.
- Security deposits equal to up to three months of rent, or the state statute.
- Costs to repair damages incurred by the program participant not covered by the security deposit or that are incurred while the program participant is still residing in the unit.

- Paying the cost of extra cleaning or maintenance of a program participant's unit or appliance.

Landlord incentives may be charged under Rapid Re-Housing and Homelessness Prevention budget categories.

Grantees **must** maintain program records that document that program costs are reasonable.

### 3.4 Additional Allowable Activities

#### 3.4.1 Training

ESG-CV funds may be used to train staff on infectious disease prevention and mitigation for staff working directly to prevent, prepare for, and respond to coronavirus among households who are homeless or at-risk of homelessness. The costs are eligible as a standalone activity, not as an administrative cost, and do not need to be tied to a specific intervention.

Training costs are allowable under all ESG-CV components and can be provided to both homelessness assistance providers and to those who do not receive funding through the CARES Act.

Grantees **must** maintain meeting agendas and notes to support eligibility of this expense.

#### 3.4.2 Hazard Pay

ESG-CV funds may be used to pay hazard pay for grantee staff who work directly to prevent, prepare for, and respond to coronavirus among households who are homeless or at-risk of homelessness.

- Examples of staff working directly in support of coronavirus response include:
  - Street outreach teams
  - Emergency Shelter staff
  - Staff providing essential services (e.g., outpatient health or mental health, housing navigators)
  - Staff in proximity to persons with coronavirus or working in locations with a high likelihood of contracting coronavirus

Hazard pay may be billed under Homelessness Prevention, Rapid Re-Housing, Emergency Shelter, and Street Outreach program components. While grantees have the authority to establish their own hazard pay amounts and their cap, all grantees should ensure the following criteria are met:

- They are provided under the organization's established written [compensation policies](#)

- The costs are equity allocated to all related activities including Federal awards; and, Grantees **must** maintain records that include job descriptions, policies and procedures or other program records that detail positions receiving hazard pay.

### **3.4.3 Volunteer Incentives**

ESG-CV may be used to provide reasonable incentives (e.g., stipend or gift cards) to volunteers who help to provide necessary street outreach, emergency shelter, essential services, and housing relocation and stabilization services during the coronavirus outbreak.

Volunteer incentives may be billed under Homelessness Prevention, Rapid Re-Housing, Emergency Shelter, or Street Outreach.

Program records should document that costs are reasonable.

## **4 Rental Assistance Requirements**

### **4.1 Rental Assistance Agreement**

Rent assistance agreements are required between the lead/sub grantee and the property owner in order to provide rent assistance. The agreement **must** set forth the terms under which rental assistance will be provided, including the requirements that apply under [24 CFR §576.106 \(e\)](#). The rental assistance agreement **must** provide that, during the term of the agreement, the landlord **must** give lead/sub grantee a copy of any notice to the program participant to vacate the housing unit, or any complaint used under state or local law to commence an eviction action against the program participant.

Lead/sub grantees **must** make timely payments in accordance with the rental assistance agreement. The rental assistance agreement **must** contain the same payment due date, grace period, and late payment penalty requirements as the program participant's lease. The grantee is **solely responsible** for paying late payment penalties that it incurs with non ESG-CV funds.

### **4.2 Lease**

Households who are receiving rental assistance **must** have a legally binding, written lease between the owner and the program participant for the rental unit, unless the assistance is solely for rental arrears. Where the assistance is solely for rental arrears,

an oral agreement may be accepted in place of a written lease, if the agreement gives the program participant an enforceable leasehold interest under state law and the agreement and rent owed are sufficiently documented by the landlord's financial records, rent ledgers, or canceled checks. For program participants living in housing with project-based rental assistance (described below) the lease is encouraged to have an initial term of one year.

### 4.3 Tenant-based Rental Assistance

A program participant who receives tenant-based rental assistance may select a housing unit in which to live and may move to another unit or building and continue to receive rental assistance, as long as the program participant continues to meet the program requirements.

The rental assistance agreement **must** be terminated if the program participant moves out of the housing unit for which the program participant has a lease; the lease terminates and is not renewed; or the program participant becomes ineligible to receive ESG-CV rental assistance.

### 4.4 Project-based Rental Assistance

If the ESG-CV funded provider identifies a permanent housing unit that meets ESG-CV requirements and becomes available before a program participant is identified to lease the unit, the provider may enter into a rental assistance agreement with the owner to reserve the unit and subsidize its rent in accordance with the following requirements:

1. The rental assistance agreement may cover one or more permanent housing units in the same building. Each unit covered by the rental assistance agreement ("assisted unit") may only be occupied by program participants, except as provided under paragraph (4) of this section.
2. The lead/sub grantee may pay up to 100 percent (100%) of the first month's rent, provided that a program participant signs a lease and moves into the unit before the end of the month for which the first month's rent is paid. The rent paid before a program participant moves into the unit **must not** exceed the rent to be charged under the program participant's lease and **must** be included when determining that program participant's total rental assistance.
3. The lead sub/ grantee may make monthly rental assistance payments only for each whole or partial month an assisted unit is leased to a program participant. When a program participant moves out of an assisted unit, the grantee may pay the next month's rent, i.e., the first month's rent for a new program participant, as provided in paragraph (2) of this section.
4. The program participant's lease **must not** condition the term of occupancy to the

provision of rental assistance payments. If the program participant is determined ineligible or reaches the maximum number of months over which rental assistance can be provided, the grantee **must** suspend or terminate the rental assistance payments for the unit. If the payments are suspended, the individual or family may remain in the assisted unit as permitted under the lease, and the grantee may resume payments if the individual or family again becomes eligible and needs further rental assistance. If the payments are terminated, the rental assistance may be transferred to another available unit in the same building, provided that the other unit meets all ESG-CV requirements.

5. The rental assistance agreements are encouraged to have an initial term of one year. When a new program participant moves into an assisted unit, the term of the rental assistance agreement may be extended to cover the initial term of the program participant's lease. If the program participant's lease is renewed, the rental assistance agreement may be renewed or extended, as needed, up to the maximum number of months for which the program participant remains eligible. However, under no circumstances may the grantee commit ESG-CV funds to be expended beyond the expenditure deadline or commit funds for a future ESG-CV grant before the grant is awarded.

#### 4.5 Conflicts of Interest

The payment of any type or amount of ESG-CV assistance may not be conditioned on a household's acceptance or occupancy of housing owned by the ESG-CV funded provider or a parent or subsidiary of the provider. No ESG-CV grantee may, with respect to households occupying housing owned by the grantee, or any parent or subsidiary of the grantee, carry out the initial consultation and eligibility determination or administer homelessness prevention assistance.

#### 4.6 Rent Limit and Duration

Lead/subgrantees **must** use a rent limit policy that is used consistently for all units receiving a rent subsidy, including arrears, and **must** be completed before the rent subsidy is paid. The rent limit is the maximum rent subsidy that can be paid for a unit of a given size.

Subrecipients are encouraged to extend/adjust the rent limit to address unemployment, loss of income, or benefits due to COVID-19.

#### 4.7 Fair Market Rent (FMR)

The Fair Market Rent (FMR) requirement is **waived** for ESG-CV as long as the rent complies with HUD standards of rent reasonableness.

#### **4.7.1 Rent Reasonableness**

The rental assistance paid **cannot** exceed the actual rental cost, which must be in compliance with HUD's standard of rent reasonableness.

- Rent reasonableness means that the total rent charged for a unit **must** be reasonable in relation to the rents being charged during the same time period for comparable units in the private unassisted market and **must not** be in excess of rents being charged by the owner during the same time period for comparable non-luxury unassisted units.
- To make this determination, the grantee should consider (a) the location, quality, size, type, and age of the unit; and (b) any amenities, housing services, maintenance and utilities to be provided by the owner. Comparable rents can be checked by using a market study, by reviewing comparable units advertised for rent, or with a note from the property owner verifying the comparability of charged rents to other units owned (for example, the landlord would document the rents paid in other units). For more information, see HUD's worksheet on rent reasonableness at:  
<https://www.hudexchange.info/resource/2098/home-rent-reasonableness-checklist-and-certification/>
- A grantee **must** determine and document rent reasonableness for all units for which ESG-CV rental assistance (including arrears) and/or security deposit assistance is being provided. The requirement applies whether homelessness prevention assistance or rapid re housing assistance is provided.

#### **4.8 Housing Stability Case Management**

Program participants receiving homelessness prevention or rapid re-housing assistance should be provided housing stability case management as is safe and feasible. Housing case management **cannot** be a requirement for assistance, but grantees should make housing stability and other appropriate services available and accessible.

### **5. Household Eligibility**

**Rapid Re-Housing assistance is available for persons who are homeless according to the HUD definition of homeless:**

1. An individual or family who lacks a fixed, regular, and adequate nighttime residence, meaning:
  - (i) An individual or family with a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport, or camping ground; **OR**

- (ii) An individual or family living in a supervised publicly or privately operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or by federal, state, or local government programs for low-income individuals); **OR**
- (iii) An individual who is exiting an institution where he or she resided for 120 days or less and who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution;

**Prevention assistance is available to households who are at-imminent risk of homelessness or at-risk of homelessness according to HUD's definition:**

**At Imminent Risk of Homelessness is defined as households who:**

- 1. have annual incomes below 50% AMI; **AND**
- 2. do not have sufficient resources or support networks immediately available to obtain permanent housing and prevent literal homelessness; **AND**
- 3. Either:
  - (i) will imminently lose their primary nighttime residence within 14 days; OR
  - (ii) are fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking or other dangerous or life threatening conditions related to violence

**At-Risk of Homelessness is defined as households who:**

- 1. have annual incomes below 50% AMI; **AND**
- 2. do not have sufficient resources or support networks immediately available to obtain permanent housing and prevent literal homelessness; **AND**
- 3. meet at least one of the following seven conditions:
  - (i) moved 2 or more times due to economic reasons in 60 days prior to application for assistance
  - (ii) living in the home of another due to economic hardship
  - (iii) losing housing within 21 days after application date
  - (iv) living in a hotel/motel not paid for by charitable organizations or federal/state/local government programs



- (v) living in severely overcrowded unit as defined by the U.S. Census Bureau (*single-room occupancy or efficiency apartment unit in which more than two persons, on average, reside or another type of housing in which there reside more than 1.5 persons per room*)
- (vi) exiting a publicly funded institution or system of care.
- (vii) living in housing associated with instability and increased risk of homelessness, as defined in the jurisdiction's Consolidated Plan.

## 5.1 Documentation of Housing Status

Lead/subgrantees **must** verify, describe and document eligible housing status prior to program entry.

See required *ESG-CV Household Eligibility – Prevention* and *ESG Household Eligibility – Rapid Re Housing* forms for documentation requirements. All ESG forms can be found on the ECIVIS website under the *Files* tab @ [https://gn.ecivis.com/GO/gn\\_redir/T/5h811kohlj48](https://gn.ecivis.com/GO/gn_redir/T/5h811kohlj48)

## 5.2 Documentation of Income Eligibility

Documentation of income eligibility is not required until eligibility recertification for households served Rapid Re-housing. Income eligibility is required at entry for Homelessness Prevention.

Income is money that is paid to, or on behalf of, the head of household or spouse (even if temporarily absent) or to any other household member 18 years or older. (Persons fleeing domestic violence **do not** have to report the abuser's income.) Income also includes all amounts which are anticipated to be received from a source outside the family during the 12- month period following admission or annual reexamination effective date. When determining the annual income of an individual or family, the grantee **must** use the standard for calculating annual income under [24 CFR §5.609](#).

Income inclusions and exclusions are listed in the Electronic Code of Federal Regulations, [www.ecfr.gov](http://www.ecfr.gov), Title 24 – Housing and Urban Development: Subtitle A 0-99: Part 5: Subpart F: Section [5.609 Annual Income](#). Questions pertaining to how to calculate CARES Act income can be found at [Notice CPD-21-03: Unemployment Insurance Benefits Under the CARES Act, 2021 Appropriations Act, and Presidential Memorandum](#).

## 5.3 Eligibility Recertification

Household eligibility and the types and amounts of assistance the household needs **must** be re-evaluated and documented not less than once every 6 months for households receiving homelessness prevention assistance, and not less than once annually for households receiving rapid re-housing assistance. At a minimum, each re-evaluation of eligibility must establish that:

1. The household does not have an annual income that exceeds 30% of Area Median Income for homeless households and 50% of Area Median Income for households at-risk of homelessness; **AND**
2. The household lacks sufficient resources and support networks necessary to retain housing without ESG-CV assistance.

See [Re-Evaluation Form for RRH and HP](#) for *ESG-CV Household Eligibility – Re-Evaluation* form for documentation requirements.

#### **5.4 Documentation Requirements for Rapid Re-Housing and Prevention**

Households receiving Prevention or Rapid Re-Housing assistance, **must** have the following clearly noted and documented in the household's case file:

##### *1. Initial Consultation & Eligibility Determination:*

The household **must** receive an initial consultation and eligibility assessment to determine income and housing status eligibility and the appropriate type of assistance needed to regain stability in permanent housing.

##### *2. Assistance in obtaining mainstream and other resources:*

The household **must** receive appropriate supportive services and referrals essential to achieving independent living through other federal, state, local, and private assistance.

##### *3. Housing stability plan to include:*

- i. Needs assessment to include specific housing and self-sufficiency goals; and
- ii. Action steps to retain permanent housing after ESG-CV assistance ends;

## **6 Allowable Expenses**

### **6.1 Indirect Costs (IDC)**

**Indirect Costs ([24CFR §576.108](#))**

<p><b>Allowable Costs</b></p>	<p>Up to 10% de minimis rate may be allocated to indirect costs. Or if the agency has a federally approved rate, that would need to be used in place of the de minimis rate and the letter of approval is required to be sent to Kelly Garrett at <a href="mailto:kgarrett@azdes.gov">kgarrett@azdes.gov</a> and Teresa Cruse at <a href="mailto:tcruse@azdes.gov">tcruse@azdes.gov</a>.</p> <p>Allowable indirect costs are those costs that benefit the organization as a whole. Please see <a href="#">Indirect Cost Toolkit for Continuum of Care and Emergency Solutions Grants Programs</a> for detailed instructions and a list of allowable and prohibited costs.</p>
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<p><b>6.2 HMIS</b></p>	
<p><b>HMIS (<a href="#">24CFR §576.107</a>)</b></p>	
<p><b>Allowable Costs</b></p>	<p>The grantee or subgrantees may use ESG-CV funds to pay the costs of contributing ESG-CV data to HMIS including the costs of:</p> <ul style="list-style-type: none"> <li>• Purchasing or leasing computer hardware;</li> <li>• Purchasing software or software licenses;</li> <li>• Purchasing or leasing equipment, including telephones, fax machines, and furniture;</li> <li>• Obtaining technical support;</li> <li>• Leasing office space;</li> <li>• Paying charges for electricity, gas, water, phone service, and high-speed data transmission necessary to operate or contribute data to the HMIS; Paying salaries for operating HMIS, including: <ul style="list-style-type: none"> <li>(A) Completing data entry;</li> <li>(B) Monitoring and reviewing data quality;</li> <li>(C) Completing data analysis;</li> <li>(D) Reporting to the HMIS Lead;</li> <li>(E) Training staff on using the HMIS or comparable database; and</li> <li>(F) Implementing and complying with HMIS requirements; Paying costs of staff to travel to and attend training on HMIS and programs authorized by Title IV of the McKinney-Vento Homeless Assistance Act;</li> </ul> </li> </ul>

	<p>Paying staff travel costs to conduct intakes.</p> <ul style="list-style-type: none"> <li>• HMIS costs are eligible beyond typical support of ESG-CV program activities (including HMIS costs not related to ESG-CV program participants) or program participants to the extent that they are necessary to help the geographic area prevent, prepare for, and respond to coronavirus.</li> </ul>
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### 6.3 Street Outreach

#### Street Outreach Component ([24CFR §576.101](#))

Services delivered on the street to persons living unsheltered

<p><b>Allowable Expenses: Street Outreach</b></p>	<ul style="list-style-type: none"> <li>• <u>Engagement</u>: Activities to locate, identify, and build relationships with unsheltered homeless people for the purpose of providing immediate support, intervention, and connections with homeless assistance programs and/or mainstream social services and housing programs.</li> <li>• <u>Case Management</u>: Assessing housing and service needs and arranging/coordinating/monitoring the delivery of individualized services.</li> <li>• <u>Emergency Health Services</u>: Direct outpatient treatment of medical conditions by licensed medical professionals in community-based settings (e.g. streets, parks, and campgrounds) to those eligible participants for whom other appropriate health services are inaccessible or unavailable within the area.</li> <li>• <u>Emergency Mental Health Services</u>: Direct outpatient treatment of mental health conditions by licensed professionals in community-based settings e.g. streets, parks, and campgrounds) to those eligible participants for whom other appropriate health services are inaccessible or unavailable within the area.</li> <li>• <u>Transportation</u>: Travel by outreach workers, social workers, medical professionals or other service providers during the provision of eligible street outreach services.</li> <li>• <u>Services to Special Populations</u>: Otherwise eligible Essential Services, as listed above, that have been tailored to address the special needs of homeless youth, victims of domestic violence and related crimes/threats, and/or people living with HIV/AIDS who are literally homeless.</li> <li>• <u>Training on infectious disease prevention and mitigation</u> for staff working directly with those at risk of contracting the coronavirus costs are allowable as a standalone activity – not part of administrative costs</li> <li>• <u>Hazard pay</u> for subrecipient staff working in locations with a high likelihood of contracting coronavirus</li> <li>• <u>Installation and maintenance</u> of handwashing</li> </ul>
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	<p>stations and portable bathrooms for people experiencing unsheltered homelessness</p> <ul style="list-style-type: none"> <li>• <u>Volunteer incentives</u></li> </ul>
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#### 6.4 Emergency Shelter Case Management, Operations, Renovation, and Temporary Emergency Shelter Acquisition and Renovation

##### Emergency Shelter Component ([24CFR §576.102](#))

Services delivered to households experiencing homelessness in temporary shelter; shelter rehabilitation and shelter operations.

<p><b>Allowable Expenses: Shelter Case Management</b></p>	<ul style="list-style-type: none"> <li>• The cost of assessing, arranging, coordinating, and monitoring the delivery of individualized services to meet the needs of the program participant is eligible. Component services and activities consist of: Using the centralized or coordinated assessment system; Conducting the initial evaluation including verifying and documenting eligibility; Counseling; Developing, securing, and coordinating services and obtaining Federal, State, and local benefits; Monitoring and evaluating program participant progress; Providing information and referrals to other providers; Providing ongoing risk assessment and safety planning with victims of domestic violence, dating violence, sexual assault, and stalking; and Developing an individualized housing and service plan, including planning a path to permanent housing stability</li> <li>• Training on infectious disease prevention and mitigation for staff working directly with those at risk of contracting the coronavirus costs are allowable as a standalone activity – not part of administrative costs</li> <li>• Hazard pay for subrecipient staff working in locations with a high likelihood of contracting coronavirus</li> <li>• Volunteer incentives</li> </ul>
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<p><b>Allowable Expenses: Shelter Operations</b></p>	<ul style="list-style-type: none"> <li>• The costs of maintenance (including minor or routine repairs), rent, security, fuel, equipment, insurance, utilities, food, furnishings, and supplies necessary for the operation of the emergency shelter</li> <li>• Hotel or motel costs are eligible where no appropriate emergency shelter is available, including costs for cleaning and damage repair</li> <li>• Installation and maintenance of handwashing stations and portable bathrooms for people experiencing unsheltered homelessness</li> </ul>
<p><b>Allowable Expenses: Shelter Renovation</b></p>	<ul style="list-style-type: none"> <li>• Renovation, including major renovation or conversion, of a building to serve as an emergency shelter. The shelter must operate to serve homeless households for at least 3 or 10 years, depending on the type of renovation <a href="#">24 CFR 576.102</a></li> </ul>
<p><b>Allowable Expenses: Temporary Emergency Shelter</b></p>	<ul style="list-style-type: none"> <li>• Leasing existing real property or temporary structures, acquisition and renovation of real property for temporary emergency shelter for individuals and families experiencing homelessness in order to prevent, prepare for, and respond to coronavirus. Funds used for acquisition or renovation (including conversion or major rehabilitation) are subject to property's use and disposition requirements in 24 CFR 200.311 part c, section 1 or 2.</li> <li>• Shelter operation costs including the cost of maintenance, rent, security, fuel, equipment, utilities, food, furnishings, supplies necessary for the operation of the temporary shelter;</li> <li>• Services, including essential services, housing search and placement services, and housing search and counseling services. 24 CFR 576.102 (a)(1), 24 CFR 576.105 (b)(1), and housing search and counseling services under 24 CFR 578.53(e)(8) and HUD ESG-CV Notice.</li> </ul>

## 6.5 Rapid Re-Housing and Prevention Rental Assistance

### Rental Assistance ([24CFR §576.106](#))

#### Allowable Expenses

- Monthly rent and any combination of first and last months' rent are allowable costs. Rent may only be paid one month at a time, although rental arrears, prorated rent, and last month's rent may be included with the first month's payment.
- Rent assistance limits are currently waived for all program participants while receiving ESG-CV assistance.
- Short-term rental assistance: See Rent assistance.
- Medium-term rental assistance: See Rent assistance.
- Rental arrears and associated late fees for up to six months. Rental arrears may be paid if the payment enables the household to obtain or maintain permanent housing. If funds are used to pay rental arrears, arrears must be included in determining the total period of the household's rental assistance.
- Total to not exceed 24 months during any 3-year period, including any payment for last month's rent is hereby waived while participant is receiving ESG-CV assistance.



## 6.6 Rapid Re-Housing and Prevention Case Management

### Housing Relocation and Stabilization Services ([24CFR §576.105](#))

#### Allowable Expenses

#### Housing Search and Placement

- Assessment of housing barriers, needs and preferences;
- Development of an action plan for locating housing;
- Housing search and outreach to, and negotiation with owner; Assistance with submitting rental applications and understanding leases; Assessment of housing for compliance with ESG requirements for habitability, lead based paint, and rent reasonableness;
- Assistance with obtaining utilities and making moving arrangements; Tenant counseling

#### Housing Stability Case Management

- Assessing, arranging, coordinating, and monitoring the delivery of individualized services to facilitate housing stability;
- Using the centralized or coordinated assessment system to conduct the initial evaluation and re-evaluation;
- Legal services;
- Counseling;
- Developing, securing and coordinating services including Federal, state, and local benefits;
- Monitoring and evaluating program participant progress;
- Providing information and referrals to other providers;
- Developing an individualized housing and service plan;
- Assistance cannot exceed 30 days during the

	<p>period the program participant is seeking permanent housing and cannot exceed 24 months during the period the program participant is living in permanent housing</p> <ul style="list-style-type: none"> <li>• Training on infectious disease prevention and mitigation for staff working directly with those at risk of contracting the coronavirus costs are allowable as a standalone activity – not part of administrative costs</li> </ul>
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6.7 Rapid Re-Housing and Prevention Other Financial Assistance	
Housing Relocation and Stabilization Services ( <a href="#">24CFR §576.105</a> )	
Allowable Expenses	<ul style="list-style-type: none"> <li>• Rental Application Fees that are charged by the owner to all applicants Security Deposits equal to no more than 1.5 months' rent.</li> <li>• Moving Costs, such as truck rental, hiring a moving company, or temporary storage fees for a maximum of 3 months after the participant begins to receive services but before they move into permanent housing. Arrearages are <b>not eligible</b>.</li> <li>• Utility Deposits required by the utility company for all customers (i.e. gas, electric, water/sewage)</li> <li>• Utility Payments for up to 24 months per household, per service (i.e. gas, electric, water/sewage), including up to 6 months of arrearages, per service.</li> <li>• Landlord incentives may be paid up to three (3) times the rent charged for the unit: <ul style="list-style-type: none"> <li>a. Signing bonuses equal to up to 2 months of rent</li> <li>b. Security deposits equal to up to 1.5 months of rent</li> <li>c. Paying the cost to repair damages not covered by the security deposit or that are incurred while the program participant is still residing in the unit</li> </ul> </li> </ul>

	<p>d. Paying the costs of extra cleaning or maintenance of unit or appliances</p> <ul style="list-style-type: none"> <li>• Volunteer incentives</li> </ul>
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## 7 Requirements of all Lead Grantees and Subgrantees Providing Direct Service

### 7.1 Coordinated Entry

ESG-CV funded projects **must** participate in the local Coordinated Entry (CE) as defined by Coordinated Entry System policies and procedures. Separate assessment and access points are allowable for prevention projects.

Projects operated by Victim service providers are not required but may elect to participate in the county or regional CE process.

Coordinated Entry is encouraged to modify the assessment, scoring, prioritization and determining eligibility to prioritize those at high-risk for severe illness from coronavirus for shelter and housing consistent with fair housing and nondiscrimination requirements. Coordinated Entry projects are expected to adapt its policies and procedures to account for social distancing measures or increased demand.

Street Outreach projects funded by ESG-CV **must** be linked to the county or regional Coordinated Entry (CE) by either performing mobile CE process services (e.g. assessment) or by providing referrals to CE.

If the county or regional Coordinated Entry (CE) requires Emergency Shelters, Drop-in Shelters and Temporary Shelter Sites to fill beds through the regional CE process, those projects funded by ESG-CV must participate in the county or regional CE process by accepting referrals and **must** fill openings exclusively through the CE process.

If the project has other funding sources that do not require participation in the CE process, the project **must** fill openings, beds or units funded with ESG-CV exclusively through the CE process.

### 7.2 Low Barrier Services

Households **must not** be required to receive treatment or perform any other prerequisite activities as a condition for receiving shelter, housing, or other services for which ESG-CV funds are used. This includes housing case management.

## 7.3 HMIS

Lead/subgrantees providing direct service **must** enter client data into the Homeless Management Information System (HMIS) for all ESG-CV funded projects in accordance with the most current [HMIS Data Standards and ESG Program HMIS Manual](#).

The following charts summarize ESG HMIS data collection requirements. Lead/subgrantees should reference the [FY2020 HMIS Data Standards](#) and [HMIS ESG Program Manual](#) for more information about HMIS requirements.

HUD Universal Data Elements (as of December 2019) Required of All ESG-CV Programs	
1 Name 2 Social Security Number 3 Date of Birth 4 Race 5 Ethnicity 6 Gender 7 Veteran Status 8 Disabling Condition	9 Project Start Date 10 Project Exit Date 11 Destination 12 Relationship to Head of Household 13 Client Location 14 Housing Move-in Date 15 Prior Living Situation

Information for the HMIS Lead in each Continuum of Care (CoC) may be found in the following locations:

[Maricopa County and Balance of State](#)

[Pima County](#)

### **7.3.1 Data Quality**

Projects are **required** to provide quality data to the best of their ability. Maintaining good data quality is important for effective program evaluation. Data quality has four elements: completeness, timeliness, accuracy, and consistency.

#### **7.3.1.1 Completeness**

Completeness of data is measured by the percentage of incomplete fields in required data elements.

Agencies are expected to collect first name, last name, date of birth, race, and ethnicity from clients that give consent on the HMIS consent form. **Agencies will never require a client to provide this information even if they have consented, but should**

**gather it to the best of their ability.**

All clients, consenting and non-consenting, **must** have complete prior living situation and exit destination data.

#### **7.3.1.2 Timeliness**

Client data should be entered into HMIS as close to the date of collection as possible. Entering data as soon as possible supports data quality by avoiding backlogs of pending data and allowing near real time analysis and reporting.

Projects **must** enter/update project client/household data in HMIS **within 2-7 calendar days** following the date of project enrollment/exit, depending on your COC's HMIS Policies. Quarterly reports on all ESG-CV activities are due quarterly to the HMIS Lead for the grantees CoC. The data **must** be uploaded using CSV schema compliant with current HUD HMIS Data standards. Victim Service Providers **must** use a Comparable Database to meet the reporting requirements and be able to generate unduplicated aggregate reports based on the data.

#### **7.3.1.3 Accuracy**

Data entered into HMIS **must** reflect the real situation of the client/household as closely as possible.

Accurate data is necessary to ensure any project reporting fairly represents the work of the project and each client's story.

#### ***Examples of data accuracy:***

<b>Elements of Data Accuracy</b>	
<b>Date of Birth and Project Start Date</b>	Ensure the two are not the same dates.
<b>Prior Living Situation data elements</b>	Ensure responses for Prior living situation, Length of stay in prior living situation, Approximate date homelessness started, Number of times the client has experienced homelessness in the last 3 years, and Number of months experiencing homelessness in the last 3 years do not conflict with each other.
<b>Disabling Condition</b>	Ensure the Yes/No answer does not conflict with the specific types of disabling conditions.
<b>Health Insurance</b>	Ensure the Yes/No answer does not conflict with the specific types of health insurance.
<b>Monthly</b>	Ensure the Yes/No answer does not conflict with

<b>Income</b>	the specific sources of monthly income.
<b>Non-Cash Benefits</b>	Ensure the Yes/No answer does not conflict with the specific sources of non-cash benefits.
<b>Relationship to Head of Household</b>	Ensure there is only one Head of Household for any given household (including clients served individually) and that this element is entered and accurate for all household members.
<b>Veteran Status</b>	Ensure individuals under 18 years of age are not identified as veterans.
<b>Project Population Specifics</b>	<ul style="list-style-type: none"> <li>• Ensure that projects only serving individuals only enroll individuals and not multi-person households.</li> <li>• Ensure that projects only serving families with children only enroll families with children.</li> <li>• Ensure that projects only serving clients of a specific age range only enroll clients of that age range.</li> </ul>

#### **7.3.1.4 Consistency**

Consistent data helps ensure that any reporting generated by a project is understood. Data consistency is important for effectively communicating the processes and outcomes of a project.

All data will be collected, entered, and stored in accordance with the requirements of the CoC's HMIS Lead.

All data elements and responses will be entered per the [HUD Data Standards Manual](#). To avoid inconsistency, agencies should use language on intake forms that closely matches the elements and responses in HMIS.

Clients who refuse consent **must** be made anonymous and the consent refused client entry guide.

### **7.4 Consent for Entry of Personal Identifying Information**

#### **7.4.1 Identified Records**

- Personally identifying information (PII)\* **must not** be entered into HMIS unless all adult household members have provided informed consent.
- Informed consent **must** be documented with a signed copy of the *Client Release of Information and Informed Consent Form* in the client file. If electronic consent has been received, a copy does not need to be printed for the client file but **must**

be available in HMIS. If telephonic consent has been received, complete the consent form the first time the household is seen in person.

\*PII includes name, social security number, birthdate, address, phone number, email, and photo.

#### **7.4.2 Anonymous Records**

The following types of records **must** be entered anonymously:

- Households in which one adult member does not provide informed consent for themselves or their dependents
- Households entering a domestic violence program or currently fleeing or in danger from a domestic violence, dating violence, sexual assault, human trafficking or a stalking situation
- Minors under the age of 13 with no parent or guardian available to consent to the minor's information in HMIS
- Households in programs which are required by funders to report HIV/AIDS status

#### **7.4.3 Special Circumstances**

If the reporting of the HIV/AIDS status of clients is not specifically required, the HIV/AIDS status **must not** be entered in HMIS.

If a combination of race, ethnicity, gender, or other demographic data could be identifying in your community, those data should not be entered for anonymous records.

### **7.5 Habitability Standards**

DES does not exempt units or shelters from having to be compliant with local housing codes. Therefore, if there are requirements that are in both the local housing code and the Habitability Standards, the grantee **must** comply with the more stringent of the two.

#### **7.5.1 Minimum Standards for Emergency Shelters**

If ESG-CV funds are used for renovation or shelter operations, the building **must** meet the minimum standards for safety, sanitation, and privacy provided in [Appendix C](#).

The lead/sub grantee **must** maintain documentation of compliance with the minimum standards for Emergency Shelter activities.

Habitability and environmental reviews are not required for temporary emergency shelters.

#### **7.5.2 Minimum Inspection Standards for Permanent Housing (Habitability and Housing Quality Standards)**

The requirements at 24 CFR 576.403(c) are waived and the ESG subrecipient can provide rental assistance and housing relocation and stabilization services without first

inspecting the unit so long as:

- a. The recipient or subrecipient maintains documentation showing the prior rental assistance provider determined that the housing meets:
  - i. The habitability standards established at 24 CFR 576.403(c); or
  - ii. Housing Quality Standards (HQS) established at 24 CFR 982.401; or
- b. The recipient or subrecipient provides no more than 90 days of RRH assistance to the program participant; or
- c. The recipient or subrecipient conducts an inspection within the first 90 days and determines the housing meets the habitability standards established at 24 CFR 576.403(c) or the HQS established at 24 CFR 982.401.

## **7.7 Duplication of Benefits**

“Duplication of benefits” occurs when an individual or household receives financial assistance for the same service from multiple funding sources. Grantees **must** determine and document if the household is receiving assistance from other sources (e.g. philanthropy, faith-based, CDBG CV, CHG, etc.) to avoid duplication of benefits as well as verify that the other form of assistance does not disqualify the eligibility of the individual or household. ([Section 312 \(42 U.S.C. 5155\)](#)).

## **7.8 Recordkeeping Requirements for Grantees Providing Rent Assistance**

See [Appendix D](#) for recordkeeping requirements.

## **7.9 Data Collection**

Federal rules **require** each lead/subgrantees to enter client data into a Homeless Management Information System (HMIS) or for victim service providers, a comparable database.

Each grantee **must** follow all state and federal laws governing HMIS, including collecting informed written consent from program participants, not denying service based solely on program participant refusal to provide data to an HMIS, protecting program participant confidentiality, not collecting personally identifying information from program participants that are victims of domestic violence, and other requirements defined in [VAWA Reauthorization Section 605](#).

## **7.10 Termination of Participation, Denial and Grievance Procedures**



Grantees **must** have written termination, denial, and grievance policies and/or procedures. The policies and/or procedures should be readily available to households either in written information or by posting the policy in a public place. It is important to effectively communicate these policies and/or procedures to households and ensure that they are fully understood.

Causes for termination may include, but are not limited to, failure to abide by any agreed upon requirements and fraud. A grievance procedure must include:

1. Written notice to the household containing a clear statement of the reasons for termination;
2. A review of the decision, in which the household is given the opportunity to present written or oral objections before a person other than the person (or a subordinate of that person) who made or approved the termination decision. This may include the household's right to question or confront staff involved; and
3. Prompt written notice of the final decision.

#### **7.10.1 Denial and Grievance**

Causes of denial of assistance include, but are not limited to, the household's ineligibility or failure to provide verifiable evidence of eligibility, etc. Established procedures should describe:

1. Circumstances in which a household may not qualify or would be denied;
2. Notification of denial; and
3. A household's right to review a grantee's decision.

### **7.11 Confidentiality of Client Records**

Grantees **must** have policies and/or procedures to ensure that client records are maintained in a confidential manner and keep written records or files pertaining to households under lock and key with designated personnel granted access to those files.

## **8 Appendices**

### **8.1 Appendix A: Required and Recommended Forms**

The following forms are **required**, if applicable. Forms may be modified if all of the content is included. All forms are posted on [ECivis](#) under *Files*.

- ESG-CV Household Eligibility – Prevention
- ESG-CV Household Eligibility – Rapid Re-Housing
- ESG-CV Household Eligibility – Re-Evaluation
- ESG-CV Client File Checklist
- Client Consent Form

## 8.2 Appendix B: Required Policies and Procedures

- Required written standards as described in 24 CFR 56.400 (e) of the ESG Interim Rule and adapted for ESG-CV including:
  - o Summary of how ESG-CV funds are being used to prevent, prepare for and respond to coronavirus
  - o Rent Limit Policy
  - o Coordinated Entry Policies
  - o Termination of Participation, Denial, and Grievance Procedures

## 8.3 Appendix C: Habitability Standards

The minimum standards for emergency shelters and permanent housing are:

- Structure and materials. The structures **must** be structurally sound to protect residents from the elements and not pose any threat to the health and safety of the residents.
- Space and security. Each resident **must** be provided adequate space and security for themselves and their belongings. Each resident must be provided an acceptable place to sleep.
- Interior air quality. Each room or space **must** have a natural or mechanical means of ventilation. The interior air must be free of pollutants at a level that might threaten or harm the health of residents.
- Water supply. The water supply **must** be free from contamination.
- Sanitary facilities. Residents **must** have access to sufficient sanitary facilities that are in proper operating condition, are private, and are adequate for personal cleanliness and the disposal of human waste.
- Thermal environment. The housing **must** have any necessary heating/cooling facilities in proper operating condition.
- Illumination and electricity. The structure **must** have adequate natural or artificial illumination to permit normal indoor activities and support health and safety. There must be sufficient electrical sources to permit the safe use of electrical appliances in the structure.
- Food preparation. All food preparation areas **must** contain suitable space and equipment to store, prepare, and serve food in a safe and sanitary manner.
- Sanitary conditions. The housing **must** be maintained in a sanitary condition.
- Fire safety.
  - o There **must** be a second means of exiting the building in the event of fire or other emergency.

- Each unit or shelter **must** include at least one battery-operated or hard-wired smoke detector, in proper working condition, on each occupied level. Smoke detectors must be located, to the extent practicable, in a hallway adjacent to a bedroom. If the unit is occupied by hearing impaired persons, smoke detectors must have an alarm system designed for hearing-impaired persons in each bedroom occupied by a hearing-impaired person.
- The public areas of all housing **must** be equipped with a sufficient number, but not less than one for each area, of battery-operated or hard-wired smoke detectors. Public areas include, but are not limited to, laundry rooms, community rooms, day care centers, hallways, stairwells, and other common areas.

#### 8.4 Appendix D: Recordkeeping Requirements for Grantees Providing Rent Assistance

##### Homeless status

The grantee and subgrantees **must** maintain and follow written intake procedures to ensure compliance with the homeless definition in [§576.2](#). The procedures **must** require documentation at intake of the evidence relied upon to establish and verify homeless status. The procedures **must** establish the order of priority for obtaining evidence as third-party documentation first, intake worker observations second, and certification from the person seeking assistance third. However, lack of third-party documentation **must not** prevent an individual or family from being immediately admitted to emergency shelter, receiving street outreach services, or being immediately admitted to shelter or receiving services provided by a victim service provider. Records contained in an HMIS or comparable database used by victim service or legal service providers are acceptable evidence of third-party documentation and intake worker observations if the HMIS retains an auditable history of all entries, including the person who entered the data, the date of entry, and the change made; and if the HMIS prevents overrides or changes of the dates on which entries are made.

- (1) If the individual or family qualifies as homeless under paragraph (1)(i) or (ii) of the homeless definition in [§576.2](#), acceptable evidence includes a written observation by an outreach worker of the conditions where the individual or family was living, a written referral by another housing or service provider, or a certification by the individual or head of household seeking assistance.
- (2) If the individual qualifies as homeless under paragraph (1)(iii) of the homeless definition in [§576.2](#), because he or she resided in an emergency shelter or place not meant for human habitation and is exiting an institution where he or she resided for 120 days or less, acceptable evidence includes the evidence described in paragraph (b)(1) of this section and one of the following:
  - (i) Discharge paperwork or a written or oral referral from a social worker, case

manager, or other appropriate official of the institution, stating the beginning and end dates of the time residing in the institution. All oral statements must be recorded by the intake worker; or

- (ii) Where the evidence in paragraph (b)(2)(i) of this section is not obtainable, a written record of the intake worker's due diligence in attempting to obtain the evidence described in paragraph (b)(2)(i) and a certification by the individual seeking assistance that states he or she is exiting or has just exited an institution where he or she resided for 90 days or less.
- (3) If the individual or family qualifies as homeless under paragraph (2) of the homeless definition in [§576.2](#), because the individual or family will imminently lose their housing, the evidence must include:
- (i)(A) A court order resulting from an eviction action that requires the individual or family to leave their residence within 14 days after the date of their application for homeless assistance;  
**or** the equivalent notice under applicable state law, a Notice to Quit, or a Notice to Terminate issued under state law;
  - (B) For individuals and families whose primary nighttime residence is a hotel or motel room not paid for by charitable organizations or federal, state, or local government programs for low income individuals, evidence that the individual or family lacks the resources necessary to reside there for more than 14 days after the date of application for homeless assistance; or
  - (C) An oral statement by the individual or head of household that the owner or renter of the housing in which they currently reside will not allow them to stay for more than 14 days after the date of application for homeless assistance. The intake worker **must** record the statement and certify that it was found credible. To be found credible, the oral statement must either:
    - (I) be verified by the owner or renter of the housing in which the individual or family resides at the time of application for homeless assistance and documented by a written certification by the owner or renter or by the intake worker's recording of the owner or renter's oral statement; **or**
    - (II) if the intake worker is unable to contact the owner or renter, be documented by a written certification by the intake worker of his or her due diligence in attempting to obtain the owner or renter's verification and the written certification by the individual or head of household seeking assistance that his or her statement was true and complete;
  - (ii) Certification by the individual or head of household that no subsequent residence has been identified; and

(iii) Certification or other written documentation that the individual or family lacks the resources and support networks needed to obtain other permanent housing.

(4) If the individual or family qualifies under paragraph (4) of the homeless definition in [§576.2](#), because the individual or family is fleeing domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions related to violence, then acceptable evidence includes an oral statement by the individual or head of household seeking assistance that they are fleeing that situation, that no subsequent residence has been identified and that they lack the resources or support networks, e.g., family, friends, faith-based or other social networks, needed to obtain other housing. If the individual or family is receiving shelter or services provided by a victim service provider, the oral statement must be documented by either a certification by the individual or head of household; or a certification by the intake worker. Otherwise, the oral statement that the individual or head of household seeking assistance has not identified a subsequent residence and lacks the resources or support networks, e.g., family, friends, faith-based or other social networks, needed to obtain housing **must** be documented by a certification by the individual or head of household that the oral statement is true and complete, and, where the safety of the individual or family would not be jeopardized, the domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening condition **must** be verified by a written observation by the intake worker or a written referral by a housing or service provider, social worker, legal assistance provider, health-care provider, law enforcement agency, legal assistance provider, pastoral counselor, or any other organization from whom the individual or head of household has sought assistance for domestic violence, dating violence, sexual assault, or stalking. The written referral or observation need only include the minimum amount of information necessary to document that the individual or family is fleeing, or attempting to flee domestic violence, dating violence, sexual assault, and stalking.

#### **At risk of homelessness status.**

For each individual or family who receives ESG-CV homelessness prevention assistance, the records **must** include the evidence relied upon to establish and verify the individual or family's "at risk of homelessness" status. This evidence **must** include an intake and certification form that meets HUD specifications and is completed by the grantee and subgrantees. The evidence **must** also include:

(1) If the program participant meets the criteria under paragraph (1) of the "at risk of homelessness" definition in [§576.2](#):

- (i) The documentation specified under this section for determining annual income;
- (ii) The program participant's certification on a form specified by HUD that the program participant has insufficient financial resources and support networks; e.g., family, friends, faith based or other social networks, immediately available to attain housing stability and meets one or more of the conditions under paragraph (1)(iii) of the definition of “at risk of homelessness” in §[576.2](#);
- (iii) The most reliable evidence available to show that the program participant does not have sufficient resources or support networks; e.g., family, friends, faith-based or other social networks, immediately available to prevent them from moving to an emergency shelter or another place described in paragraph (1) of the “homeless” definition. Acceptable evidence includes:
  - (A) Source documents (e.g., notice of termination from employment, unemployment compensation statement, bank statement, health-care bill showing arrears, utility bill showing arrears);
  - (B) To the extent that source documents are unobtainable, a written statement by the relevant third party (e.g., former employer, public administrator, relative) or the written certification by the grantee and subgrantees’ intake staff of the oral verification by the relevant third party that the applicant meets one or both of the criteria under paragraph (1)(ii) of the definition of “at risk of homelessness” in §[576.2](#); or
  - (C) To the extent that source documents and third-party verification are unobtainable, a written statement by the grantee and subgrantees’ intake staff describing the efforts taken to obtain the required evidence; and
- (iv) The most reliable evidence available to show that the program participant meets one or more of the conditions under paragraph (1)(iii) of the definition of “at risk of homelessness” in §[576.2](#). Acceptable evidence includes:
  - (A) Source documents that evidence one or more of the conditions under paragraph (1)(iii) of the definition (e.g., eviction notice, notice of termination from employment, bank statement);
  - (B) To the extent that source documents are unobtainable, a written statement by the relevant third party (e.g., former employer, owner, primary leaseholder, public administrator, hotel or motel manager) or the written certification by the grantee and subgrantees’ intake staff of the oral verification by the relevant third party that the applicant meets one or more of the criteria under paragraph (1)(iii) of the definition of “at risk of homelessness”; or

- (C) To the extent that source documents and third-party verification are unobtainable, a written statement by the grantee and subgrantees' intake staff that the staff person has visited the applicant's residence and determined that the applicant meets one or more of the criteria under paragraph (1)(iii) of the definition or, if a visit is not practicable or relevant to the determination, a written statement by the grantee and subgrantees' intake staff describing the efforts taken to obtain the required evidence.

### **Determinations of ineligibility**

For each individual and family determined ineligible to receive Emergency Solutions Grant (ESG) assistance, the record **must** include documentation of the reason for that determination.

### **Annual income**

For each program participant who receives homelessness prevention assistance, or who receives rapid re-housing assistance longer than one year, the following documentation of annual income **must** be maintained:

- (1) Income evaluation form containing the minimum requirements specified by HUD and completed by the grantee and subgrantees; and
- (2) Source documents for the assets held by the program participant and income received over the most recent period for which representative data is available before the date of the evaluation (e.g., wage statement, unemployment compensation statement, public benefits statement, bank statement);
- (3) To the extent that source documents are unobtainable, a written statement by the relevant third party (e.g., employer, government benefits administrator) or the written certification by the grantee and subgrantees' intake staff of the oral verification by the relevant third party of the income the program participant received over the most recent period for which representative data is available; or
- (4) To the extent that source documents and third party verification are unobtainable, the written certification by the program participant of the amount of income the program participant received for the most recent period representative of the income that the program participant is reasonably expected to receive over the 3-month period following the evaluation.

### **Program participant records**

In addition to evidence of homeless status or "at risk of homelessness" status, as applicable, records **must** be kept for each program participant that document:

- (1) The services and assistance provided to that program participant, including, as applicable, the security deposit, rental assistance, and utility payments made on behalf of the program participant;

- (2) Compliance with the applicable requirements for providing services and assistance to that program participant under the program components and eligible activities provisions at [§576.101](#) through [§576.106](#), the provision on determining eligibility and amount and type of assistance at [§576.401\(a\) and \(b\)](#), and the provision on using appropriate assistance and services at [§576.401\(d\) and \(e\)](#); and
- (3) Where applicable, compliance with the termination of assistance requirement in [§576.402](#).

### **Centralized or coordinated assessment systems and procedures.**

The grantee and subgrantees **must** keep documentation evidencing the use of, and written intake procedures for, the centralized or coordinated assessment system(s) developed by the Continuum of Care(s) in accordance with the requirements established by HUD.

### **Rental assistance agreements and payments**

The records **must** include copies of all leases and rental assistance agreements for the provision of rental assistance, documentation of payments made to owners for the provision of rental assistance, and supporting documentation for these payments, including dates of occupancy by program participants.

### **Utility allowance**

The records **must** document the monthly allowance for utilities (excluding telephone) used to determine compliance with the rent restriction.

### **Shelter and housing standards**

The records **must** include documentation of compliance with the shelter and housing standards in [§576.403](#), including inspection reports.

### **Services and assistance provided**

The grantee and subgrantees that are units of general purpose local government **must** keep records to demonstrate compliance with the maintenance of effort requirement, including records of the unit of the general purpose local government's annual budgets and sources of funding for street outreach and emergency shelter services.

### **Conflicts of interest**

The grantee and subgrantees **must** keep records to show compliance with the organizational conflicts-of-interest requirements in [§576.404\(a\)](#), a copy of the personal conflicts of interest policy or codes of conduct developed and implemented to comply with the requirements in [§576.404\(b\)](#), and records supporting exceptions to the personal conflicts of interest prohibitions.

### **Faith-based activities**

The grantee and subgrantees **must** document their compliance with the faith-based



activities requirements under [§576.406](#).

### **Other Federal requirements**

The grantee and subgrantees **must** document their compliance with the Federal requirements in [§576.407](#) and [§576.409](#), as applicable, including:

- (1) Records demonstrating compliance with the nondiscrimination and equal opportunity requirements under [§576.407\(a\)](#) and the affirmative outreach requirements in [§576.407\(b\)](#), including: data concerning race, ethnicity, disability status, sex, and family characteristics of persons and households who are applicants for, or program participants in, any program or activity funded in whole or in part with ESG funds.
- (2) Records demonstrating compliance with the uniform administrative requirements in 2 CFR part 200.
- (3) Records demonstrating compliance with the environmental review requirements, including flood insurance requirements.
- (4) Certifications and disclosure forms required under the lobbying and disclosure requirements in [24 CFR §87](#).
- (5) Data on emergency transfers requested under [§576.409](#), pertaining to victims of domestic violence, dating violence, sexual assault, or stalking, including data on the outcomes of such requests.

### **Relocation**

The records **must** include documentation of compliance with the displacement, relocation, and acquisition requirements in [§576.408](#).

### **Confidentiality**

- (1) The grantee and subgrantees must develop and implement written procedures to ensure:
  - (i) All records containing personally identifying information (as defined in HUD's standards for participation, data collection, and reporting in a local HMIS) of any individual or family who applies for and/or receives ESG assistance **will** be kept secure and confidential;
  - (ii) The address or location of any domestic violence, dating violence, sexual assault, or stalking shelter project assisted under the ESG **will not** be made public, except with written authorization of the person responsible for the operation of the shelter; and
  - (iii) The address or location of any housing of a program participant **will not** be made public, except as provided under a preexisting privacy policy of the grantee and subgrantees and consistent with state and local laws regarding privacy and obligations of confidentiality.
- (2) The confidentiality procedures of the grantee and subgrantees must be in writing and must be maintained in

accordance with this section.

### **Period of record retention**

All records pertaining to each fiscal year of ESG-CV funds **must** be retained for the greater of 5 years or the period specified below. Copies made by microfilming, photocopying, or similar methods may be substituted for the original records. Documentation of each program participant's qualification as a family or individual at risk of homelessness or as a homeless family or individual and other program participant records **must** be retained for 5 years after the expenditure of all funds from the grant under which the program participant was served.

### **Access to records**

*Federal Government rights.* Notwithstanding the confidentiality procedures established under paragraph (1) of this section, the grantee and subgrantees **must** comply with the requirements for access to records in [2 CFR §200.336](#).

## **8.7 Appendix G: Resources**

[Emergency Solutions Grants \(ESG\) Program Components Quick Reference \(HUD\)](#)

[Emergency Solutions Grant – COVID 19 Notice](#)

[The Framework for an Equitable COVID-19 Homelessness Response \(National Alliance to End Homelessness, NAEH\)](#)

[Homeless System Response: Planning a Housing Surge to Accelerate Rehousing Efforts in Response to COVID-19 \(HUD\)](#)

[HUD ESG-CV Resources and Webinars](#)

[Use ESG-CV to Help Those Currently Experiencing Homelessness First \(NAEH\)](#)

[Eligible ESG Program Costs for Infectious Disease Preparedness](#)

[COVID-19 Homeless System Response: ESG-CV Reporting Guidance](#)

[Re-Evaluation Form for RRH and HP](#)